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**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H. CON. RES. 312, AS REPORTED  
OFFERED BY MR. RYAN OF WISCONSIN**

Strike all after the resolving clause and insert the following:

**1 SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET  
2 FOR FISCAL YEAR 2009.**

3 (a) DECLARATION.—The Congress determines and  
4 declares that the concurrent resolution on the budget for  
5 fiscal year 2008 is revised and replaced and that this is  
6 the concurrent resolution on the budget for fiscal year  
7 2009, including appropriate budgetary levels for fiscal  
8 years 2010 through 2013.

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1           **TITLE I—RECOMMENDED**  
2           **LEVELS AND AMOUNTS**

3   **SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.**

4           The following budgetary levels are appropriate for  
5 each of fiscal years 2008 through 2013:

6           (1) **FEDERAL REVENUES.**—For purposes of the  
7 enforcement of this resolution:

8           (A) The recommended levels of Federal  
9 revenues are as follows:

10           Fiscal year 2008: \$1,873,540,000,000.

11           Fiscal year 2009: \$2,017,033,000,000.

12           Fiscal year 2010: \$2,104,764,000,000.

13           Fiscal year 2011: \$2,198,889,000,000.

14           Fiscal year 2012: \$2,291,296,000,000.

15           Fiscal year 2013: \$2,352,645,000,000.

16           (B) The amounts by which the aggregate  
17 levels of Federal revenues should be adjusted  
18 are as follows:

19           Fiscal year 2008: -\$6,000,000,000.

20           Fiscal year 2009: -\$80,091,000,000.

21           Fiscal year 2010: -\$78,100,000,000.

22           Fiscal year 2011: -\$229,136,000,000.

23           Fiscal year 2012: -\$362,019,000,000.

24           Fiscal year 2013: -\$402,095,000,000.

1           (2) NEW BUDGET AUTHORITY.—For purposes  
2           of the enforcement of this resolution, the appropriate  
3           levels of total new budget authority are as follows:

4           Fiscal year 2008: \$2,546,649,000,000.

5           Fiscal year 2009: \$2,429,637,000,000.

6           Fiscal year 2010: \$2,409,712,000,000.

7           Fiscal year 2011: \$2,514,762,000,000.

8           Fiscal year 2012: \$2,523,758,000,000.

9           Fiscal year 2013: \$2,619,267,000,000.

10          (3) BUDGET OUTLAYS.—For purposes of the  
11          enforcement of this resolution, the appropriate levels  
12          of total budget outlays are as follows:

13          Fiscal year 2008: \$2,461,810,000,000.

14          Fiscal year 2009: \$2,478,438,000,000.

15          Fiscal year 2010: \$2,476,911,000,000.

16          Fiscal year 2011: \$2,523,601,000,000.

17          Fiscal year 2012: \$2,504,363,000,000.

18          Fiscal year 2013: \$2,594,191,000,000.

19          (4) DEFICITS (ON-BUDGET).—For purposes of  
20          the enforcement of this resolution, the amounts of  
21          the deficits (on-budget) are as follows:

22          Fiscal year 2008: \$588,270,000,000.

23          Fiscal year 2009: \$462,405,000,000.

24          Fiscal year 2010: \$372,147,000,000.

25          Fiscal year 2011: \$324,712,000,000.

1 Fiscal year 2012: \$213,067,000,000.

2 Fiscal year 2013: \$241,546,000,000.

3 (5) DEBT SUBJECT TO LIMIT.—Pursuant to  
4 section 301(a)(5) of the Congressional Budget Act  
5 of 1974, the appropriate levels of the debt subject to  
6 limit are as follows:

7 Fiscal year 2008: \$9,572,826,000,000.

8 Fiscal year 2009: \$10,179,229,000,000.

9 Fiscal year 2010: \$10,745,093,000,000.

10 Fiscal year 2011: \$11,281,763,000,000.

11 Fiscal year 2012: \$11,746,433,000,000.

12 Fiscal year 2013: \$12,233,839,000,000.

13 (6) DEBT HELD BY THE PUBLIC.—The appro-  
14 priate levels of debt held by the public are as follows:

15 Fiscal year 2008: \$5,402,148,000,000.

16 Fiscal year 2009: \$5,733,577,000,000.

17 Fiscal year 2010: \$6,002,163,000,000.

18 Fiscal year 2011: \$6,225,463,000,000.

19 Fiscal year 2012: \$6,337,014,000,000.

20 Fiscal year 2013: \$6,482,741,000,000.

21 **SEC. 102. MAJOR FUNCTIONAL CATEGORIES.**

22 The Congress determines and declares that the ap-  
23 propriate levels of new budget authority and outlays for  
24 fiscal years 2008 through 2013 for each major functional  
25 category are:

1 (1) National Defense (050):

2 Fiscal year 2008:

3 (A) New budget authority,

4 \$693,273,000,000.

5 (B) Outlays, \$604,289,000,000.

6 Fiscal year 2009:

7 (A) New budget authority,

8 \$612,497,000,000.

9 (B) Outlays, \$645,433,000,000.

10 Fiscal year 2010:

11 (A) New budget authority,

12 \$550,414,000,000.

13 (B) Outlays, \$607,032,000,000.

14 Fiscal year 2011:

15 (A) New budget authority,

16 \$557,026,000,000.

17 (B) Outlays, \$577,925,000,000.

18 Fiscal year 2012:

19 (A) New budget authority,

20 \$565,800,000,000.

21 (B) Outlays, \$561,666,000,000.

22 Fiscal year 2013:

23 (A) New budget authority,

24 \$576,223,000,000.

25 (B) Outlays, \$570,503,000,000.

1           (2) International Affairs (150):

2           Fiscal year 2008:

3                 (A)     New     budget     authority,

4                 \$38,072,000,000.

5                 (B) Outlays, \$33,588,000,000.

6           Fiscal year 2009:

7                 (A)     New     budget     authority,

8                 \$33,768,000,000.

9                 (B) Outlays, \$35,763,000,000.

10          Fiscal year 2010:

11                (A)     New     budget     authority,

12                \$35,118,000,000.

13                (B) Outlays, \$35,808,000,000.

14          Fiscal year 2011:

15                (A)     New     budget     authority,

16                \$35,956,000,000.

17                (B) Outlays, \$35,327,000,000.

18          Fiscal year 2012:

19                (A)     New     budget     authority,

20                \$36,684,000,000.

21                (B) Outlays, \$35,274,000,000.

22          Fiscal year 2013:

23                (A)     New     budget     authority,

24                \$37,028,000,000.

25                (B) Outlays, \$34,967,000,000.

1 (3) General Science, Space, and Technology

2 (250):

3 Fiscal year 2008:

4 (A) New budget authority,

5 \$27,407,000,000.

6 (B) Outlays, \$26,456,000,000.

7 Fiscal year 2009:

8 (A) New budget authority,

9 \$27,934,000,000.

10 (B) Outlays, \$27,645,000,000.

11 Fiscal year 2010:

12 (A) New budget authority,

13 \$28,472,000,000.

14 (B) Outlays, \$28,507,000,000.

15 Fiscal year 2011:

16 (A) New budget authority,

17 \$29,071,000,000.

18 (B) Outlays, \$29,297,000,000.

19 Fiscal year 2012:

20 (A) New budget authority,

21 \$29,679,000,000.

22 (B) Outlays, \$29,917,000,000.

23 Fiscal year 2013:

24 (A) New budget authority,

25 \$30,290,000,000.



1 (B) Outlays, \$30,026,000,000.

2 (4) Energy (270):

3 Fiscal year 2008:

4 (A) New budget authority,  
5 \$3,548,000,000.

6 (B) Outlays, \$1,681,000,000.

7 Fiscal year 2009:

8 (A) New budget authority,  
9 \$3,874,000,000.

10 (B) Outlays, \$1,928,000,000.

11 Fiscal year 2010:

12 (A) New budget authority,  
13 \$3,832,000,000.

14 (B) Outlays, \$2,330,000,000.

15 Fiscal year 2011:

16 (A) New budget authority,  
17 \$3,880,000,000.

18 (B) Outlays, \$2,656,000,000.

19 Fiscal year 2012:

20 (A) New budget authority,  
21 \$3,950,000,000.

22 (B) Outlays, \$2,984,000,000.

23 Fiscal year 2013:

24 (A) New budget authority,  
25 \$4,022,000,000.

1 (B) Outlays, \$3,212,000,000.

2 (5) Natural Resources and Environment (300):

3 Fiscal year 2008:

4 (A) New budget authority,

5 \$32,560,000,000.

6 (B) Outlays, \$34,440,000,000.

7 Fiscal year 2009:

8 (A) New budget authority,

9 \$32,890,000,000.

10 (B) Outlays, \$34,424,000,000.

11 Fiscal year 2010:

12 (A) New budget authority,

13 \$33,782,000,000.

14 (B) Outlays, \$35,328,000,000.

15 Fiscal year 2011:

16 (A) New budget authority,

17 \$34,670,000,000.

18 (B) Outlays, \$35,729,000,000.

19 Fiscal year 2012:

20 (A) New budget authority,

21 \$35,568,000,000.

22 (B) Outlays, \$36,169,000,000.

23 Fiscal year 2013:

24 (A) New budget authority,

25 \$36,490,000,000.

1 (B) Outlays, \$36,896,000,000.

2 (6) Agriculture (350):

3 Fiscal year 2008:

4 (A) New budget authority,  
5 \$22,456,000,000.

6 (B) Outlays, \$21,528,000,000.

7 Fiscal year 2009:

8 (A) New budget authority,  
9 \$21,529,000,000.

10 (B) Outlays, \$21,279,000,000.

11 Fiscal year 2010:

12 (A) New budget authority,  
13 \$21,719,000,000.

14 (B) Outlays, \$20,680,000,000.

15 Fiscal year 2011:

16 (A) New budget authority,  
17 \$21,891,000,000.

18 (B) Outlays, \$20,876,000,000.

19 Fiscal year 2012:

20 (A) New budget authority,  
21 \$22,263,000,000.

22 (B) Outlays, \$21,435,000,000.

23 Fiscal year 2013:

24 (A) New budget authority,  
25 \$22,621,000,000.

1 (B) Outlays, \$21,816,000,000.

2 (7) Commerce and Housing Credit (370):

3 Fiscal year 2008:

4 (A) New budget authority,  
5 \$11,216,000,000.

6 (B) Outlays, \$5,381,000,000.

7 Fiscal year 2009:

8 (A) New budget authority,  
9 \$8,560,000,000.

10 (B) Outlays, \$2,907,000,000.

11 Fiscal year 2010:

12 (A) New budget authority,  
13 \$8,687,000,000.

14 (B) Outlays, \$1,448,000,000.

15 Fiscal year 2011:

16 (A) New budget authority,  
17 \$8,798,000,000.

18 (B) Outlays, \$1,244,000,000.

19 Fiscal year 2012:

20 (A) New budget authority,  
21 \$9,246,000,000.

22 (B) Outlays, \$1,637,000,000.

23 Fiscal year 2013:

24 (A) New budget authority,  
25 \$9,642,000,000.

1 (B) Outlays, \$1,535,000,000.

2 (8) Transportation (400):

3 Fiscal year 2008:

4 (A) New budget authority,

5 \$79,794,000,000.

6 (B) Outlays, \$77,795,000,000.

7 Fiscal year 2009:

8 (A) New budget authority,

9 \$74,798,000,000.

10 (B) Outlays, \$80,350,000,000.

11 Fiscal year 2010:

12 (A) New budget authority,

13 \$76,607,000,000.

14 (B) Outlays, \$83,694,000,000.

15 Fiscal year 2011:

16 (A) New budget authority,

17 \$77,527,000,000.

18 (B) Outlays, \$85,807,000,000.

19 Fiscal year 2012:

20 (A) New budget authority,

21 \$78,470,000,000.

22 (B) Outlays, \$87,808,000,000.

23 Fiscal year 2013:

24 (A) New budget authority,

25 \$79,456,000,000.

14

1 (B) Outlays, \$90,112,000,000.

2 (9) Community and Regional Development

3 (450):

4 Fiscal year 2008:

5 (A) New budget authority,

6 \$20,029,000,000.

7 (B) Outlays, \$27,819,000,000.

8 Fiscal year 2009:

9 (A) New budget authority,

10 \$14,553,000,000.

11 (B) Outlays, \$24,251,000,000.

12 Fiscal year 2010:

13 (A) New budget authority,

14 \$14,826,000,000.

15 (B) Outlays, \$21,816,000,000.

16 Fiscal year 2011:

17 (A) New budget authority,

18 \$15,134,000,000.

19 (B) Outlays, \$17,874,000,000.

20 Fiscal year 2012:

21 (A) New budget authority,

22 \$15,450,000,000.

23 (B) Outlays, \$15,817,000,000.

24 Fiscal year 2013:

15

1 (A) New budget authority,  
2 \$15,755,000,000.

3 (B) Outlays, \$15,561,000,000.

4 (10) Education, Training, Employment, and  
5 Social Services (500):

6 Fiscal year 2008:

7 (A) New budget authority,  
8 \$90,077,000,000.

9 (B) Outlays, \$90,729,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,  
12 \$92,835,000,000.

13 (B) Outlays, \$89,831,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,  
16 \$98,754,000,000.

17 (B) Outlays, \$94,527,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,  
20 \$101,693,000,000.

21 (B) Outlays, \$99,246,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,  
24 \$103,814,000,000.

25 (B) Outlays, \$100,416,000,000.

1 Fiscal year 2013:

2 (A) New budget authority,

3 \$97,578,000,000.

4 (B) Outlays, \$99,411,000,000.

5 (11) Health (550):

6 Fiscal year 2008:

7 (A) New budget authority,

8 \$285,101,000,000.

9 (B) Outlays, \$286,688,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,

12 \$305,795,000,000.

13 (B) Outlays, \$304,946,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,

16 \$322,751,000,000.

17 (B) Outlays, \$323,300,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,

20 \$343,709,000,000.

21 (B) Outlays, \$342,746,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,

24 \$366,700,000,000.

25 (B) Outlays, \$365,286,000,000.



17

1 Fiscal year 2013:

2 (A) New budget authority,  
3 \$391,993,000,000.

4 (B) Outlays, \$390,267,000,000.

5 (12) Medicare (570):

6 Fiscal year 2008:

7 (A) New budget authority,  
8 \$390,458,000,000.

9 (B) Outlays, \$390,454,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,  
12 \$420,086,000,000.

13 (B) Outlays, \$419,880,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,  
16 \$445,118,000,000.

17 (B) Outlays, \$445,247,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,  
20 \$494,261,000,000.

21 (B) Outlays, \$494,084,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,  
24 \$491,241,000,000.

25 (B) Outlays, \$490,999,000,000.

1 Fiscal year 2013:

2 (A) New budget authority,  
3 \$552,274,000,000.

4 (B) Outlays, \$552,389,000,000.

5 (13) Income Security (600):

6 Fiscal year 2008:

7 (A) New budget authority,  
8 \$389,865,000,000.

9 (B) Outlays, \$394,100,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,  
12 \$410,152,000,000.

13 (B) Outlays, \$412,970,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,  
16 \$414,946,000,000.

17 (B) Outlays, \$416,690,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,  
20 \$424,315,000,000.

21 (B) Outlays, \$425,038,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,  
24 \$410,706,000,000.

25 (B) Outlays, \$410,707,000,000.

19

1 Fiscal year 2013:

2 (A) New budget authority,  
3 \$426,299,000,000.

4 (B) Outlays, \$426,036,000,000.

5 (14) Social Security (650):

6 Fiscal year 2008:

7 (A) New budget authority,  
8 \$19,378,000,000.

9 (B) Outlays, \$19,378,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,  
12 \$21,308,000,000.

13 (B) Outlays, \$21,308,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,  
16 \$23,794,000,000.

17 (B) Outlays, \$23,794,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,  
20 \$27,330,000,000.

21 (B) Outlays, \$27,330,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,  
24 \$30,342,000,000.

25 (B) Outlays, \$30,342,000,000.

1 Fiscal year 2013:

2 (A) New budget authority,  
3 \$33,162,000,000.

4 (B) Outlays, \$33,162,000,000.

5 (15) Veterans Benefits and Services (700):

6 Fiscal year 2008:

7 (A) New budget authority,  
8 \$86,365,000,000.

9 (B) Outlays, \$83,551,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,  
12 \$94,268,000,000.

13 (B) Outlays, \$92,943,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,  
16 \$96,000,000,000.

17 (B) Outlays, \$96,210,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,  
20 \$101,800,000,000.

21 (B) Outlays, \$101,475,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,  
24 \$99,115,000,000.

25 (B) Outlays, \$98,271,000,000.

1 Fiscal year 2013:

2 (A) New budget authority,  
3 \$105,094,000,000.

4 (B) Outlays, \$104,266,000,000.

5 (16) Administration of Justice (750):

6 Fiscal year 2008:

7 (A) New budget authority,  
8 \$46,237,000,000.

9 (B) Outlays, \$44,282,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,  
12 \$50,024,000,000.

13 (B) Outlays, \$47,520,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,  
16 \$48,972,000,000.

17 (B) Outlays, \$49,384,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,  
20 \$47,218,000,000.

21 (B) Outlays, \$48,912,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,  
24 \$48,425,000,000.

25 (B) Outlays, \$48,887,000,000.

1 Fiscal year 2013:

2 (A) New budget authority,  
3 \$49,692,000,000.

4 (B) Outlays, \$49,540,000,000.

5 (17) General Government (800):

6 Fiscal year 2008:

7 (A) New budget authority,  
8 \$56,407,000,000.

9 (B) Outlays, \$56,920,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,  
12 \$22,970,000,000.

13 (B) Outlays, \$23,408,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,  
16 \$19,402,000,000.

17 (B) Outlays, \$19,449,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,  
20 \$20,039,000,000.

21 (B) Outlays, \$19,938,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,  
24 \$20,733,000,000.

25 (B) Outlays, \$20,753,000,000.

23

1 Fiscal year 2013:

2 (A) New budget authority,

3 \$21,407,000,000.

4 (B) Outlays, \$21,194,000,000.

5 (18) Net Interest (900):

6 Fiscal year 2008:

7 (A) New budget authority,

8 \$349,335,000,000.

9 (B) Outlays, \$349,335,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,

12 \$333,462,000,000.

13 (B) Outlays, \$333,462,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,

16 \$367,501,000,000.

17 (B) Outlays, \$367,501,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,

20 \$403,836,000,000.

21 (B) Outlays, \$403,836,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,

24 \$429,556,000,000.

25 (B) Outlays, \$429,556,000,000.

24

1 Fiscal year 2013:

2 (A) New budget authority,

3 \$445,455,000,000.

4 (B) Outlays, \$445,455,000,000.

5 (19) Allowances (920):

6 Fiscal year 2008:

7 (A) New budget authority,

8 -\$8,599,000,000.

9 (B) Outlays, -\$274,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,

12 -\$84,556,000,000.

13 (B) Outlays, -\$72,700,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,

16 -\$129,273,000,000.

17 (B) Outlays, -\$124,124,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,

20 -\$155,968,000,000.

21 (B) Outlays, -\$168,315,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,

24 -\$195,848,000,000.

25 (B) Outlays, -\$205,425,000,000.



25

1 Fiscal year 2013:

2 (A) New budget authority,

3 -\$229,181,000,000.

4 (B) Outlays, -\$246,124,000,000.

5 (20) Undistributed Offsetting Receipts (950):

6 Fiscal year 2008:

7 (A) New budget authority,

8 -\$86,330,000,000.

9 (B) Outlays, -\$86,330,000,000.

10 Fiscal year 2009:

11 (A) New budget authority,

12 -\$68,110,000,000.

13 (B) Outlays, -\$68,110,000,000.

14 Fiscal year 2010:

15 (A) New budget authority,

16 -\$71,710,000,000.

17 (B) Outlays, -\$71,710,000,000.

18 Fiscal year 2011:

19 (A) New budget authority,

20 -\$77,424,000,000.

21 (B) Outlays, -\$77,424,000,000.

22 Fiscal year 2012:

23 (A) New budget authority,

24 -\$78,136,000,000.

25 (B) Outlays, -\$78,136,000,000.

1 Fiscal year 2013:

2 (A) New budget authority,  
3 -\$86,033,000,000.

4 (B) Outlays, -\$86,033,000,000.

5 **TITLE II—RECONCILIATION**

6 **SEC. 201. RECONCILIATION IN THE HOUSE OF REPRESENT-**  
7 **ATIVES.**

8 (a) SUBMISSION TO PROVIDE FOR THE REFORM OF  
9 MANDATORY SPENDING.—

10 (1) IN GENERAL.—Not later than July 29,  
11 2008, the House committees named in paragraph  
12 (2) shall submit their recommendations to the House  
13 Committee on the Budget. After receiving those rec-  
14 ommendations, the Committee on the Budget shall  
15 report to the House a reconciliation bill carrying out  
16 all such recommendations without substantive revi-  
17 sion.

18 (2) INSTRUCTIONS.—

19 (A) COMMITTEE ON AGRICULTURE.—The  
20 Committee on Agriculture shall report changes  
21 in laws within its jurisdiction sufficient to re-  
22 duce direct spending \$9,321,000,000 for the pe-  
23 riod of fiscal years 2009 through 2013.

24 (B) COMMITTEE ON ARMED SERVICES.—  
25 The Committee on Armed Services shall report

1 changes in laws within its jurisdiction sufficient  
2 to reduce direct spending \$1,292,000,000 for  
3 the period of fiscal years 2009 through 2013.

4 (C) COMMITTEE ON EDUCATION AND  
5 LABOR.—The Committee on Education and the  
6 Labor shall report changes in laws within its ju-  
7 risdiction sufficient to reduce direct spending  
8 \$15,926,000,000 for the period of fiscal years  
9 2009 through 2013.

10 (D) COMMITTEE ON ENERGY AND COM-  
11 MERCE.—The Committee on Energy and Com-  
12 merce shall report changes in laws within its ju-  
13 risdiction sufficient to reduce direct spending  
14 \$115,812,000,000 for the period of fiscal years  
15 2009 through 2013.

16 (E) COMMITTEE ON FINANCIAL SERV-  
17 ICES.—The Committee on Financial Services  
18 shall report changes in laws within its jurisdic-  
19 tion sufficient to reduce direct spending  
20 \$73,000,000 for the period of fiscal years 2009  
21 through 2013.

22 (F) COMMITTEE ON FOREIGN AFFAIRS.—  
23 The Committee on Foreign Relations shall re-  
24 port changes in laws within its jurisdiction suf-  
25 ficient to reduce direct spending \$250,000,000

1 for the period of fiscal years 2009 through  
2 2013.

3 (G) COMMITTEE ON THE JUDICIARY.—The  
4 Committee on the Judiciary shall report  
5 changes in laws within its jurisdiction sufficient  
6 to reduce direct spending \$3,450,000,000 for  
7 the period of fiscal years 2009 through 2013.

8 (H) COMMITTEE ON NATURAL RE-  
9 SOURCES.—The Committee on Natural Re-  
10 sources shall report changes in laws within its  
11 jurisdiction sufficient to reduce direct spending  
12 \$3,721,000,000 for the period of fiscal years  
13 2009 through 2013.

14 (I) COMMITTEE ON OVERSIGHT AND GOV-  
15 ERNMENT REFORM.—The Committee on Trans-  
16 portation and Infrastructure shall report  
17 changes in laws within its jurisdiction sufficient  
18 to reduce direct spending \$4,679,000,000 for  
19 the period of fiscal years 2009 through 2013.

20 (J) COMMITTEE ON TRANSPORTATION AND  
21 INFRASTRUCTURE.—The Committee on Trans-  
22 portation and Infrastructure shall report  
23 changes in laws within its jurisdiction sufficient  
24 to reduce direct spending \$4,672,000,000 for  
25 the period of fiscal years 2009 through 2013.

1 (K) COMMITTEE ON WAYS AND MEANS.—

2 The Committee on Ways and Means shall re-  
3 port changes in laws within its jurisdiction suf-  
4 ficient to reduce direct spending  
5 \$253,204,000,000 for the period of fiscal years  
6 2009 through 2013.

7 (b) REVENUE RECONCILIATION.—The House Com-  
8 mittee on Ways and Means shall report a reconciliation  
9 bill not later than July 29, 2008, that consists of changes  
10 in laws within its jurisdiction sufficient to reduce revenues  
11 by not more than \$1,151,441,000,000 for the period of  
12 fiscal years 2009 through 2013.

13 (c) SUBMISSION OF REVISED ALLOCATIONS.—

14 (1) Upon the submission to the Committee on  
15 the Budget pursuant to subsection (a), or the re-  
16 porting of a measure pursuant to subsection (b), a  
17 recommendation that has complied with its reconcili-  
18 ation instructions pursuant to section 310(c) of the  
19 Congressional Budget Act of 1974, the chairman of  
20 that committee may file with the House appro-  
21 priately revised allocations under section 302(a) of  
22 such Act and revised functional levels and aggre-  
23 gates.

24 (2) Upon the submission to the House of a con-  
25 ference report recommending a reconciliation bill or

1 resolution in which a committee has complied with  
2 its reconciliation instructions solely by virtue of this  
3 section, the chairman of the Committee on the  
4 Budget may file with the House appropriately re-  
5 vised allocations and aggregates under such Act.

6 (3) Allocations and aggregates revised pursuant  
7 to this subsection shall be considered to be alloca-  
8 tions and aggregates established by the concurrent  
9 resolution on the budget pursuant to section 301 of  
10 such Act.

## 11 **TITLE III—EARMARK REFORM**

### 12 **SEC. 301. MORATORIUM ON EARMARKS.**

13 (a) HOUSE.— In the House, it shall not be in order  
14 to consider a bill, joint resolution, or conference report,  
15 containing a congressional earmark, limited tax benefit,  
16 or limited tariff benefit, as such terms are defined in  
17 clause 9 of rule XXI of the Rules of the House of Rep-  
18 resentatives.

19 (b) SENATE.—In the Senate, [to be supplied]

### 20 **SEC. 302. JOINT SELECT COMMITTEE ON EARMARK RE-** 21 **FORM.**

22 (a) ESTABLISHMENT AND COMPOSITION.—There is  
23 established a Joint Select Committee on Earmark Reform.  
24 The joint select committee shall be composed of 16 mem-  
25 bers as follows:

1           (1) 8 Members of the House of Representatives,  
2       4 appointed from the majority by the Speaker of the  
3       House and 4 from the minority by the minority lead-  
4       er; and

5           (2) 8 Members of the Senate, 4 appointed from  
6       the majority by the majority leader of the Senate  
7       and 4 from the minority by the minority leader. A  
8       vacancy in the joint select committee shall not affect  
9       the power of the remaining members to execute the  
10      functions of the joint select committee, and shall be  
11      filled in the same manner as the original selection.

12      (b) STUDY AND REPORT.—

13           (1) STUDY.—The joint select committee shall  
14      make a full study of the practices of the House, Sen-  
15      ate, and executive branch, regarding earmarks in au-  
16      thorizing, appropriation, tax, and tariff measures.  
17      As part of the study, the joint select committee shall  
18      consider the efficacy of—

19           (A) the disclosure requirements of clause 9  
20      of rule XXI and clause 17 of rule XXIII of the  
21      Rules of the House of Representatives, House  
22      Resolution 491, and rule XLIV of the Standing  
23      Rules of the Senate, and the definitions con-  
24      tained therein;

1 (B) requiring full transparency in the proc-  
2 ess, with earmarks listed in bills at the outset  
3 of the legislative process and continuing  
4 throughout consideration;

5 (C) requiring that earmarks not be placed  
6 in any bill after initial committee consideration;

7 (D) requiring that Members be permitted  
8 to offer amendments to remove earmarks at  
9 subcommittee, full committee, floor consider-  
10 ation, and during conference committee meet-  
11 ings;

12 (E) requiring that bill sponsors and major-  
13 ity and minority managers certify the validity of  
14 earmarks contained in their bills;

15 (F) recommending changes to earmark re-  
16 quests made by the executive branch through  
17 the annual budget submitted to Congress pur-  
18 suant to section 1105 of title 31, United States  
19 Code;

20 (G) requiring that House and Senate  
21 amendments meet earmark disclosure require-  
22 ments; including amendments adopted pursuant  
23 to a special order of business;

24 (H) establishing new categories for ear-  
25 marks, including—



- 1 (i) projects with national scope;  
2 (ii) military projects; and  
3 (iii) local or provincial projects, in-  
4 cluding the level of matching funds re-  
5 quired for such project.

6 (2) REPORT.—

7 (A) the joint select committee shall submit  
8 to the House and the Senate a report of its  
9 findings and recommendations not later than 6  
10 months after adoption of this concurrent resolu-  
11 tion.

12 (B) no recommendation shall be made by  
13 the joint select committee except upon the ma-  
14 jority vote of the members from each House, re-  
15 spectively.

16 (C) notwithstanding any other provision of  
17 this resolution, any recommendation with re-  
18 spect to the rules and procedures of one House  
19 that only affects matters related solely to that  
20 House may only be made and voted on by mem-  
21 bers of the joint select committee from that  
22 House and, upon its adoption by a majority of  
23 such members, shall be considered to have been  
24 adopted by the full committee as a rec-  
25 ommendation of the joint select committee. In

1           conducting the study under paragraph (1), the  
2           joint select committee shall hold not fewer than  
3           5 public hearings.

4           (c) RESOURCES AND DISSOLUTION.—

5           (1) The joint select committee may utilize the  
6           resources of the House and Senate.

7           (2) The joint select committee shall cease to  
8           exist 30 days after the submission of the report de-  
9           scribed in subsection (a)(2).

10          (d) DEFINITION.—For purposes of this section, the  
11          term “earmark” shall include congressional earmarks,  
12          congressionally directed spending items, limited tax bene-  
13          fits, or limited tariff benefits as those terms are defined  
14          in clause 9 of rule XXI of the Rules of the House of Rep-  
15          resentatives and rule XLIV of the Standing Rules of the  
16          Senate. Nothing in this subsection shall confine the study  
17          of the joint select committee or otherwise limit its rec-  
18          ommendations.

19                               **TITLE IV—BUDGET**  
20                               **ENFORCEMENT**

21          **SEC. 401. ENHANCE ACCOUNTABILITY BY REQUIRING A**  
22                               **SEPARATE VOTE ON AN INCREASE IN THE**  
23                               **PUBLIC DEBT.**

24          (a) PUBLIC DEBT LIMIT.—In the House, a joint res-  
25          olution prepared pursuant to the adoption of a concurrent

1 resolution on the budget, or any revision to such concur-  
2 rent resolution, under the procedures set forth in rule  
3 XXVIII of the Rules of the House of Representatives shall  
4 reflect an increase in the statutory limit on the public debt  
5 of zero.

6 (b) STATEMENT.—The report of the Committee on  
7 the Budget on a concurrent resolution and the joint ex-  
8 planatory statement of the managers on a conference re-  
9 port to accompany such concurrent resolution shall

10 (1) include the language of the joint resolution  
11 described in rule XXVIII, which will reflect no in-  
12 crease in the statutory limit on the public debt;

13 (2) contain a clear statement that an increase  
14 in the statutory limit on the public debt requires a  
15 separate roll call vote of all Members of the House  
16 of Representatives.

17 **SEC. 402. SAME-DAY CONSIDERATION OF REPORTS.**

18 A report on a rule, joint rule, or the order of business  
19 may not be called up for consideration on the same cal-  
20 endar day, or less than 17 hours after that, it is presented  
21 to the House except—

22 (1) when so determined by a vote of two-thirds  
23 of the Members voting, a quorum being present;

1           (2) in the case of a resolution proposing only to  
2       waive a requirement of clause 4 or of clause 8 of  
3       rule XXII concerning the availability of reports; or  
4           (3) during the last three days of a session of  
5       Congress.

6       **SEC. 403. TWO-THIRDS REQUIREMENT FOR CERTAIN WAIV-**  
7                               **ERS UNDER THE RULES OF THE HOUSE.**

8       It is not in order to consider a rule or order that  
9       waives—

10           (1) the layover requirement of clause 8 of rule  
11       XXII concerning the availability of reports;  
12           (2) clause 8(a)(1) of rule XXII;  
13           (3) the scope requirement of the last sentence  
14       of clause 9 of rule XXII;  
15       by a vote of less than two-thirds of the Members voting,  
16       a quorum being present.

17       **SEC. 404. TWO-THIRDS REQUIREMENT FOR AVAILABILITY**  
18                               **OF CERTAIN MEASURES ON THE INTERNET.**

19       (a) AVAILABILITY OF COMMITTEE REPORTED MEAS-  
20       URES.—Except as specified in subparagraph (2) of clause  
21       4(a) of rule XIII of the Rules of the House of Representa-  
22       tives, it shall not be in order to consider in the House  
23       a measure or matter reported by a committee until the  
24       third calendar day (excluding Saturdays, Sundays, or legal  
25       holidays except when the House is in session on such a

1 day) on which each report of a committee on that measure  
2 or matter has been available and until the third such cal-  
3 endar day on which the underlying measure or matter has  
4 been made available by the Committee on Rules on its  
5 Internet site.

6 (b) AVAILABILITY OF CONFERENCE REPORTS.—Ex-  
7 cept as specified in subparagraph (2) of clause (a) of rule  
8 XXII of the House of Representatives, it shall not be in  
9 order to consider a conference report until—

10 (1) the third calendar day (excluding Satur-  
11 days, Sundays, or legal holidays except when the  
12 House is in session on such a day) on which the con-  
13 ference report and the accompanying joint explana-  
14 tory statement have been available, published in the  
15 Congressional Record and until the third such cal-  
16 endar day on which such conference report and joint  
17 explanatory statement have been made available by  
18 the standing committee of the House with subject  
19 matter jurisdiction over the underlying legislation on  
20 its Internet site; and

21 (2) copies of the conference report and the ac-  
22 companying joint explanatory statement have been  
23 available to Members, Delegates, and the Resident  
24 Commissioner for at least two hours,

1 (c) POINT OF ORDER.—It is not in order to consider  
2 a rule or order which would waive subsections (a) or (b)  
3 by a vote of less than two-thirds of the Members voting,  
4 a quorum being present.

5 **SEC. 405. COST ESTIMATES FOR CONFERENCE REPORTS**  
6 **AND UNREPORTED MEASURES.**

7 It shall not be in order to consider a conference re-  
8 port or an unreported bill or joint resolution unless an  
9 estimate of costs as described in clause 3(d)(2) of rule  
10 XIII has been printed in the Congressional Record at least  
11 one day before its consideration.

12 **SEC. 406. ROLL CALL VOTES FOR NEW SPENDING.**

13 The yeas and nays shall be considered as ordered  
14 when the Speaker puts the question on passage of a bill  
15 or joint resolution, or on adoption of a conference report,  
16 for which the chairman of the Budget Committee has ad-  
17 vised the Speaker that such bill, joint resolution or con-  
18 ference report authorizes or provides new budget authority  
19 of not less than \$50,000,000. The Speaker may not enter-  
20 tain a unanimous consent request or motion to suspend  
21 this section.

22 **SEC. 407. NONDEFENSE, NONTERRORISM RELATED SPEND-**  
23 **ING POINT OF ORDER.**

24 (a) NONDEFENSE AND NONTERRORISM-RELATED  
25 SPENDING.—It shall not be in order to consider any sup-

1 plemental appropriation measure that primarily provides  
2 funding for war-related defense needs and for the global  
3 war on terrorism, that also provides funding for domestic  
4 discretionary programs, projects or activities designated as  
5 emergencies.

6 (b) LISTING OF NONDEFENSE AND NONTERRORISM-  
7 RELATED PROVISIONS.—Prior to the consideration of any  
8 appropriation bill or joint resolution referred to in sub-  
9 section (a), the Committee on the Budget of the House  
10 shall transmit to the Speaker, the Majority Leader, the  
11 Minority Leader, and the Ranking Member of the Com-  
12 mittee on the Budget, and, to the extent practicable, pub-  
13 lish in the Congressional Record, a list of any nondefense  
14 and nonterrorism related provisions designated as emer-  
15 gency included in that bill or joint resolution.

16 **SEC. 408. LIMITATION ON LONG-TERM SPENDING PRO-**  
17 **POSALS.**

18 (a) CONGRESSIONAL BUDGET OFFICE ANALYSIS OF  
19 PROPOSALS.—The Director of the Congressional Budget  
20 Office shall, to the extent practicable, prepare for each bill  
21 or joint resolution reported from committee (except meas-  
22 ures within the jurisdiction of the Committee on Appro-  
23 priations), or amendments thereto or conference reports  
24 thereon, an estimate of whether the measure would cause,  
25 relative to current law, a net increase in direct spending

1 in excess of \$5 billion in any of the four 10-year periods  
2 beginning in fiscal year 2016 through fiscal year 2055.

3 (b) DIRECT SPENDING LIMITATION.—In the House,  
4 it shall not be in order to consider any bill, joint resolu-  
5 tion, amendment, or conference report that would cause  
6 a net increase in direct spending in excess of \$5 billion  
7 in any of the four 10-year periods beginning in 2016  
8 through 2055.

9 **SEC. 409. LIMIT ON NEW DIRECT SPENDING IN RECONCILI-**  
10 **ATION LEGISLATION.**

11 In the House, it shall not be in order to consider any  
12 reconciliation bill, joint resolution, amendment, or con-  
13 ference report, in relation to, a reconciliation bill pursuant  
14 to section 310 of the Congressional Budget Act of 1974,  
15 that produces an increase in outlays, if—

16 (1) the effect of all the provisions in the juris-  
17 diction of any committee is to create gross new di-  
18 rect spending that exceeds 20 percent of the total  
19 savings instruction to the committee; or

20 (2) the effect of the adoption of an amendment  
21 would result in gross new direct spending that ex-  
22 ceeds 20 percent of the total savings instruction to  
23 the committee.

24 **SEC. 410. RESTRICTIONS ON ADVANCE APPROPRIATIONS.**

25 (a) IN GENERAL.—



1           (1) In the House, except as provided in sub-  
2           section (b), an advance appropriation may not be re-  
3           ported in a bill or joint resolution making a general  
4           appropriation or continuing appropriation, and may  
5           not be in order as an amendment thereto.

6           (2) Managers on the part of the House may not  
7           agree to a Senate amendment that would violate  
8           paragraph (1) unless specific authority to agree to  
9           the amendment first is given by the House by a sep-  
10          arate vote with respect thereto.

11          (b) ADVANCE APPROPRIATION.—In the House, an  
12          advance appropriation may be provided for the fiscal years  
13          2010 and 2011 for programs, projects, activities, or ac-  
14          counts identified in the joint explanatory statement of  
15          managers accompanying this resolution under the heading  
16          “Accounts Identified for Advance Appropriations” in an  
17          aggregate amount not to exceed \$23,565,000,000 in new  
18          budget authority in each year.

19          (c) DEFINITION.—In this section, the term “advance  
20          appropriation” means any new budget authority provided  
21          in a bill or joint resolution making general appropriations  
22          or any new budget authority provided in a bill or joint  
23          resolution making continuing appropriations for fiscal  
24          year 2009 that first becomes available for any fiscal year  
25          after 2009.

1   **SEC. 411. POLICY STATEMENT ON HANFORD AND NUCLEAR**  
2                   **CLEAN-UP.**

3       It is the policy of this resolution that the United  
4 States Government must meet its responsibility in clean-  
5 ing up nuclear waste sites created in the name of our Na-  
6 tion's defense by our World War II and Cold War era nu-  
7 clear weapons production and is an obligation of the Fed-  
8 eral Government, not an option. The Environmental Man-  
9 agement program responsible for cleaning up these wastes  
10 requires a sufficient level of funding so as not to cause  
11 legal cleanup milestones and obligations to be missed.

12   **SEC. 412. POLICY STATEMENT ON WAR FUNDING.**

13       (a) FINDINGS.—Congress finds that—

14           (1) there are currently more than 183,000  
15 troops in the theater supporting Operations Iraqi  
16 and Enduring Freedom;

17           (2) in February of 2007, the President sub-  
18 mitted a war request for supplemental funding to  
19 support these troops and their ongoing operations in  
20 the global war on terrorism;

21           (3) more than a year later, Congress has only  
22 acted to partially fund that request by providing less  
23 than half of the funding required by the troops;

24           (4) this policy assumes Congress will act on war  
25 funding requests in a timely manner so as to  
26 avoid—

1 (A) not having sufficient funds to pay  
2 United States soldiers, serving at home or  
3 abroad;

4 (B) not having sufficient funds to pay ci-  
5 vilian Army personnel;

6 (C) significant disruption in base budget  
7 activities, which may result in delaying or fore-  
8 going contracts and activities (e.g., training)  
9 that ultimately may increase cost; and

10 (D) losing the ability to use the Com-  
11 manders Emergency Response Program, which  
12 is critical to the success of United States and  
13 Coalition Forces in Iraq and Afghanistan.

14 (b) POLICY OF THE HOUSE ON WAR FUNDING.—It  
15 is the policy of the House that funding for troops in Oper-  
16 ations Iraqi and Enduring Freedom should be provided  
17 in a timely manner so as not hinder their performance  
18 or needlessly place them in harms way.

19 **SEC. 413. POLICY STATEMENT ON MEDICAL LIABILITY.**

20 (a) FINDINGS.—Congress finds that—

21 (1) medical liability and the resulting practice  
22 of defensive medicine continue to plague the medical  
23 profession in the United States, reducing access for  
24 patients, increasing the cost of medical care gen-  
25 erally, and increasing the cost of government pro-

1       grams such as Medicare and Medicaid for the  
2       United States taxpayer; and

3           (2) as the medical liability crisis grows, a large  
4       fraction of these dollars will be spent on wasteful  
5       health care services provided solely to shield pro-  
6       viders from a lawsuits.

7       (b) POLICY STATEMENT ON MEDICAL LIABILITY.—

8       It is the policy of this resolution that it assumes effective  
9       medical liability reform which will contribute to the overall  
10      goal of domestic entitlement reform, constraining the  
11      growth of vital programs such as Medicare and Medicaid  
12      and helping to ensure their long-term viability.

13      **SEC. 414. POLICY STATEMENT ON THE MEDICARE “TRIG-**  
14                                      **GER”.**

15      This resolution assumes that the committees of juris-  
16      diction, in complying with the reconciliation instruction set  
17      forth in section 20, will submit to the Committee on the  
18      Budget language that locks in any savings resulting from  
19      Medicare funding warning legislation designed to reduce  
20      the program’s general revenue spending exceeding 45 per-  
21      cent. By directing savings solely to deficit reduction, this  
22      provision will help Medicare fulfill its mission for the long  
23      term.

1 **SEC. 415. PROGRAM INTEGRITY INITIATIVES.**

2 (a) **ADJUSTMENTS TO DISCRETIONARY SPENDING**  
3 **LIMITS.—**

4 (1) **CONTINUING DISABILITY REVIEWS AND**  
5 **SUPPLEMENTAL SECURITY INCOME REDETERMINA-**  
6 **TIONS.—**In the House, prior to consideration of a  
7 bill or joint resolution making appropriations for fis-  
8 cal year 2009 that appropriates \$264,000,000 for  
9 continuing disability reviews and Supplemental Secu-  
10 rity Income redeterminations for the Social Security  
11 Administration, and provides an additional appro-  
12 priation of up to \$240,000,000, and the amount is  
13 designated for continuing disability reviews and Sup-  
14 plemental Security Income redeterminations for the  
15 Social Security Administration, the allocation to the  
16 Committee on Appropriations shall be increased by  
17 the amount of the additional budget authority and  
18 outlays resulting from that budget authority for fis-  
19 cal year 2009.

20 (2) **INTERNAL REVENUE SERVICE TAX COMPLI-**  
21 **ANCE.—**In the House, prior to consideration of a bill  
22 or joint resolution making appropriations for fiscal  
23 year 2009 that appropriates \$6,997,000,000 to the  
24 Internal Revenue Service and the amount is des-  
25 ignated to improve compliance with the provisions of  
26 the Internal Revenue Code of 1986 and provides an

1 additional appropriation of up to \$490,000,000, and  
2 the amount is designated to improve compliance with  
3 the provisions of the Internal Revenue Code of 1986,  
4 the allocation to the Committee on Appropriations  
5 shall be increased by the amount of the additional  
6 budget authority and outlays resulting from that  
7 budget authority for fiscal year 2009.

8 (3) HEALTH CARE FRAUD AND ABUSE CONTROL  
9 PROGRAM.—In the House, prior to consideration of  
10 a bill or joint resolution making appropriations for  
11 fiscal year 2009 that appropriates up to  
12 \$198,000,000 and the amount is designated to the  
13 health care fraud and abuse control program at the  
14 Department of Health and Human Services, the al-  
15 location to the Committee on Appropriations shall be  
16 increased by the amount of additional budget au-  
17 thority and outlays resulting from that budget au-  
18 thority for fiscal year 2009.

19 (4) UNEMPLOYMENT INSURANCE PROGRAM IN-  
20 TEGRITY ACTIVITIES.—In the House, prior to con-  
21 sideration of a bill or joint resolution making appro-  
22 priations for fiscal year 2009 that appropriates  
23 \$10,000,000 for in-person reemployment and eligi-  
24 bility assessments and unemployment insurance im-  
25 proper payment reviews for the Department of

1 Labor and provides an additional appropriation of  
2 up to \$40,000,000, and the amount is designated for  
3 in-person reemployment and eligibility assessments  
4 and unemployment insurance improper payment re-  
5 views for the Department of Labor, the allocation to  
6 the Committee on Appropriations shall be increased  
7 by the amount of additional budget authority and  
8 outlays resulting from that budget authority for fis-  
9 cal year 2009.

10 (b) PROCEDURE FOR ADJUSTMENTS.—

11 (1) IN GENERAL.—In the House, prior to con-  
12 sideration of a bill, joint resolution, amendment, or  
13 conference report, the chairman of the Committee on  
14 the Budget shall make the adjustments set forth in  
15 subsection (a) for the incremental new budget au-  
16 thority in that measure and the outlays resulting  
17 from that budget authority if that measure meets  
18 the requirements set forth in subsection (a), except  
19 that no adjustment shall be made for provisions ex-  
20 empted for the purposes of titles III and IV of the  
21 Congressional Budget Act of 1974 under section 404  
22 of this resolution.

23 (2) MATTERS TO BE ADJUSTED.—The adjust-  
24 ments referred to in paragraph (1) are to be made  
25 to—

1 (A) the allocations made pursuant to the  
2 appropriate concurrent resolution on the budget  
3 pursuant to section 302(a) of the Congressional  
4 Budget Act of 1974; and

5 (B) the budgetary aggregates as set forth  
6 in this resolution.

7 (c) PRESIDENT'S BUDGET.—In determining whether  
8 an adjustments may be made pursuant to this section, the  
9 Chairman of the Committee on the Budget shall take into  
10 consideration, the recommendations made in President's  
11 budget related to such adjustments.

12 **SEC. 416. POLICY STATEMENT ON THE ALTERNATIVE MIN-**  
13 **IMUM TAX.**

14 This resolution assumes that the Committee on Ways  
15 and Means, in complying with the reconciliation instruc-  
16 tion set forth pursuant to section 201(b) of this resolution,  
17 will prepare legislative language which will phase out the  
18 alternative minimum tax.

19 **SEC. 417. POLICY STATEMENT ON HEALTH CARE SPEND-**  
20 **ING.**

21 (a) FINDINGS.—The Congress finds that—

22 (1) Medicare's unfunded liability will grow from  
23 \$34 trillion to \$45 trillion in the next 5 years;

24 (2) health care spending is expected to reach  
25 nearly 20 percent of GDP by 2017;



1 (3) half of the Nation's \$2.4 trillion in annual  
2 health care spending comes from taxpayer dollars;  
3 and

4 (4) the only way to ensure health care entitle-  
5 ment programs survive and continue to fulfill their  
6 missions in the 21st century is through fundamental  
7 reform.

8 (b) POLICY STATEMENT ON HEALTH CARE SPEND-  
9 ING.—This resolution assumes that the committees of ju-  
10 risdiction over health care spending issues will report leg-  
11 islation to reduce health care costs and expand coverage,  
12 in part, by removing distortions in the health care market.  
13 The removal of these distortions may be accomplished by  
14 increasing personal ownership and improving health care  
15 quality and information through the sharing of informa-  
16 tion, including the passage of H.R. 1174 and H.R. 3370.

17 **TITLE V—EMERGENCY RESERVE**  
18 **FUND**

19 **SEC. 501. NONDEFENSE RESERVE FUND FOR EMER-**  
20 **GENCIES.**

21 (a) NONDEFENSE SET ASIDE.—In the House:

22 (1) Except as provided by subsection 506, if a  
23 bill or joint resolution is reported, or an amendment  
24 is offered thereto (or considered as adopted) or a  
25 conference report is filed thereon, that provides new

1 discretionary budget authority (and outlays flowing  
2 therefrom), and such provision is designated as an  
3 emergency pursuant to this section, the chairman of  
4 the Committee on the Budget shall make adjust-  
5 ments to the allocations and aggregates set forth in  
6 this resolution up to the amount of such provisions  
7 if the requirements set forth in section 504 are met,  
8 but the sum of all adjustments made under this  
9 paragraph shall not exceed \$7,300,000,000 for fiscal  
10 year 2009.

11 (2) If a bill or joint resolution is reported or a  
12 conference report is filed thereon, and a direct  
13 spending or receipt provision included therein is des-  
14 ignated as an emergency pursuant to this para-  
15 graph, the chairman of the Committee on the Budg-  
16 et may make adjustments to the allocations and ag-  
17 gregates set forth in this resolution.

18 (b) ADDITIONAL ADJUSTMENT PROCEDURES.—In  
19 the House, before any adjustment is made pursuant to  
20 this section for any bill, joint resolution, or conference re-  
21 port that designates a provision an emergency, the enact-  
22 ment of which would cause the total amount of the set  
23 aside fund set forth in subsection (a)(1) for fiscal year  
24 2009 to be exceeded:

1           (1) The chairman of the Committee on the  
2     Budget shall convene a meeting of that committee,  
3     where it shall be in order, subject to the terms set  
4     forth in this section, for one motion described in  
5     paragraph (2) to be made to authorize the chairman  
6     to make adjustments above the maximum amount of  
7     adjustments set forth in subsection (a). If the Chair-  
8     man does not call such a meeting within 24 hours  
9     of a committee reporting such a measure, any mem-  
10    ber of the Committee may call such a meeting.

11          (2) The motion referred to in paragraph (1)  
12    shall be in the following form: "I move that the  
13    chairman of the Committee on the Budget be au-  
14    thorized to adjust the allocations and aggregates set  
15    forth in the concurrent resolution on the budget for  
16    fiscal year 2009 by the following amount:  
17    \$\_\_\_\_\_,000,000 for fiscal year 2009.", with the  
18    blank being filled in with amount determined by the  
19    chairman of the Committee on the Budget. For any  
20    measure referred to in subsection (a)(1), such  
21    amount shall not exceed the total amount for fiscal  
22    year 2009 designated as an emergency in excess of  
23    the applicable amount remaining in the set aside  
24    fund.

1           (3) The motion set forth in paragraph (2) shall  
2       be open for debate and amendment, but any amend-  
3       ment offered thereto is only in order if limited to  
4       changing an amount in the motion.

5           (4) Except as provided by paragraph (5), the  
6       chairman of the Committee on the Budget may not  
7       make any adjustments under subsection (a) or sub-  
8       section (b) unless or until the committee filing a re-  
9       port or joint statement of managers on a conference  
10      report on a measure including an emergency des-  
11      ignation fulfills the terms set forth in section 504.

12          (5) The chairman of the Committee on the  
13      Budget shall make any adjustments he deems nec-  
14      essary under this section if he determines the enact-  
15      ment of the provision or provisions designated as an  
16      emergency is essential to respond to an urgent and  
17      imminent need, the chairman determines the excep-  
18      tional circumstances referred to in rule 3 of the  
19      rules of the committee are met and the committee  
20      cannot convene to consider the motion referred to in  
21      this section in a timely fashion.

22          (c) APPLICATION OF ADJUSTMENTS.—The adjust-  
23      ments made pursuant to subsection (a) or (b) shall

24              (1) apply while that bill, joint resolution, con-  
25      ference report or amendment is under consideration;

1           (2) take effect upon the enactment of that leg-  
2       islation; and

3           (3) be published in the Congressional Record as  
4       soon as practicable.

5       **SEC. 502. EMERGENCY CRITERIA.**

6       As used in this title:

7           (1) The term “emergency” means a situation  
8       that—

9                       (A) requires new budget authority and out-  
10       lays (or new budget authority and the outlays  
11       flowing therefrom) for the prevention or mitiga-  
12       tion of, or response to, loss of life or property,  
13       or a threat to national security; and

14                      (B) is unanticipated.

15           (2) The term “unanticipated” means that the  
16       underlying situation is—

17                      (A) sudden, which means quickly coming  
18       into being or not building up over time;

19                      (B) urgent, which means a pressing and  
20       compelling need requiring immediate action;

21                      (C) unforeseen, which means not predicted  
22       or anticipated as an emerging need; and

23                      (D) Temporary, which means not of a per-  
24       manent duration.

1 **SEC. 503. DEVELOPMENT OF GUIDELINES FOR APPLICA-**  
2 **TION OF EMERGENCY DEFINITION.**

3 In the House, as soon as practicable after the adop-  
4 tion of this resolution, the chairman of the Committee on  
5 the Budget shall, after consultation with the chairmen of  
6 the applicable committees, the Ranking Member of the  
7 Committee on the Budget, and the Director of the Con-  
8 gressional Budget Office, prepare additional guidelines for  
9 application of the definition of an emergency and shall  
10 issue a committee print from the Committee on the Budg-  
11 et for this purpose.

12 **SEC. 504. COMMITTEE NOTIFICATION OF EMERGENCY LEG-**  
13 **ISLATION.**

14 (a) **COMMITTEE NOTIFICATION.**—Whenever a com-  
15 mittee of the House (including a committee of conference)  
16 reports any bill or joint resolution that includes a provision  
17 designated as an emergency pursuant to this title, the re-  
18 port accompanying that bill or joint resolution (or the joint  
19 explanatory statement of managers in the case of a con-  
20 ference report on any such bill or joint resolution) shall  
21 identify all provisions that provide amounts designated as  
22 an emergency and shall provide an explanation of the  
23 manner in which the provision meets the criteria set forth  
24 in section 502.

25 (b) **CONGRESSIONAL RECORD.**—If such a measure is  
26 to be considered by the House without being reported by

1 the committee of jurisdiction, then the committee shall  
2 cause the explanation to be published in the Congressional  
3 Record as soon as practicable.

4 **SEC. 505. UP-TO-DATE TABULATIONS.**

5 The Committee on the Budget of the House shall  
6 publish in the Congressional Record up-to-date tabulations  
7 of amounts remaining in the set aside fund set forth in  
8 section 501, or authorized in excess thereof, as soon as  
9 practicable after the enactment of such amounts des-  
10 ignated as emergencies.

11 **SEC. 506. CONTINGENCY OPERATIONS RELATED TO THE**  
12 **GLOBAL WAR ON TERRORISM AND FOR UN-**  
13 **ANTICIPATED DEFENSE NEEDS.**

14 (a) EXEMPTION OF CONTINGENCY OPERATIONS RE-  
15 LATED TO THE GLOBAL WAR ON TERRORISM AND FOR  
16 UNANTICIPATED DEFENSE NEEDS.—In the House, if any  
17 bill or joint resolution is reported, or an amendment is  
18 offered thereto or a conference report is filed thereon, that  
19 makes appropriations for fiscal year 2009 for contingency  
20 operations directly related to the global war on terrorism,  
21 and other unanticipated defense-related operations, then  
22 the new budget authority, new entitlement authority, out-  
23 lays, or receipts resulting therefrom shall not count for  
24 purposes of titles III or IV of the Congressional Budget  
25 Act of 1974.

1 (b) CURRENT LEVEL.—Amounts included in this res-  
2 olution for the purpose set forth in this section shall be  
3 considered to be current law for purposes of the prepara-  
4 tion of the current level of budget authority and outlays  
5 and the appropriate levels shall be adjusted upon the en-  
6 actment of such bill.

## 7 **TITLE VI—LEGISLATIVE LINE**

### 8 **ITEM VETO AUTHORITY**

#### 9 **SEC. 601. PRESIDENTIAL RECOMMENDATIONS.**

10 (a) PROPOSED CANCELLATIONS.—If, within 45 cal-  
11 endar days after the enactment of any bill or joint resolu-  
12 tion providing any discretionary budget authority, item of  
13 direct spending, limited tariff benefit, or targeted tax ben-  
14 efit, the President proposes, in the manner provided in  
15 subsection (b), the cancellation of any dollar amount of  
16 such discretionary budget authority, item of direct spend-  
17 ing, or targeted tax benefit, such recommendation shall  
18 be introduced as a freestanding measure consistent with  
19 the terms of this title and shall be eligible for the expe-  
20 dited procedures set forth herein. If the 45 calendar-day  
21 period expires during a period where either House of Con-  
22 gress stands adjourned sine die at the end of a Congress  
23 or for a period greater than 45 calendar days, the Presi-  
24 dent may propose a cancellation under this section and  
25 transmit a special message under subsection (b) on the



1 first calendar day of session following such a period of  
2 adjournment.

3 (b) TRANSMITTAL OF SPECIAL MESSAGE.—

4 (1) SPECIAL MESSAGE.—

5 (A) CONTENTS OF SPECIAL MESSAGE.—

6 Each special message shall specify, with respect  
7 to the discretionary budget authority, items of  
8 direct spending proposed, limited tariff benefits,  
9 or targeted tax benefits to be canceled—

10 (i) the dollar amount of discretionary  
11 budget authority, the specific item of direct  
12 spending (that OMB, after consultation  
13 with CBO, estimates to increase budget  
14 authority or outlays as required by section  
15 1017(9)), the limited tariff benefit, or the  
16 targeted tax benefit that the President pro-  
17 poses be canceled;

18 (ii) any account, department, or es-  
19 tablishment of the Government to which  
20 such discretionary budget authority is  
21 available for obligation, and the specific  
22 project or governmental functions involved;

23 (iii) the reasons why such discre-  
24 tionary budget authority, item of direct

1 spending, limited tariff benefit, or targeted  
2 tax benefit should be canceled;

3 (iv) to the maximum extent prac-  
4 ticable, the estimated fiscal, economic, and  
5 budgetary effect (including the effect on  
6 outlays and receipts in each fiscal year) of  
7 the proposed cancellation;

8 (v) to the maximum extent prac-  
9 ticable, all facts, circumstances, and con-  
10 siderations relating to or bearing upon the  
11 proposed cancellation and the decision to  
12 propose the cancellation, and the estimated  
13 effect of the proposed cancellation upon  
14 the objects, purposes, or programs for  
15 which the discretionary budget authority,  
16 item of direct spending, limited tariff ben-  
17 efit, or the targeted tax benefit is provided;

18 (vi) a numbered list of cancellations to  
19 be included in an approval bill that, if en-  
20 acted, would cancel discretionary budget  
21 authority, items of direct spending, limited  
22 tariff benefit, or targeted tax benefits pro-  
23 posed in that special message; and

24 (vii) if the special message is trans-  
25 mitted subsequent to or at the same time

1 as another special message, a detailed ex-  
2 planation why the proposed cancellations  
3 are not substantially similar to any other  
4 proposed cancellation in such other mes-  
5 sage.

6 (C) DUPLICATIVE PROPOSALS PROHIB-  
7 ITED.—The President may not propose to can-  
8 cel the same or substantially similar discre-  
9 tionary budget authority, item of direct spend-  
10 ing, limited tariff benefit, or targeted tax ben-  
11 efit more than one time under this Act.

12 (D) MAXIMUM NUMBER OF SPECIAL MES-  
13 SAGES.—The President may not transmit to the  
14 Congress more than 5 special messages under  
15 this subsection related to any bill or joint reso-  
16 lution described in subsection (a), but may  
17 transmit not more than 10 special messages for  
18 any omnibus budget reconciliation or appropria-  
19 tion measure.

20 (2) ENACTMENT OF APPROVAL BILL.—

21 (A) DEFICIT REDUCTION.—Amounts of  
22 budget authority, items of direct spending, lim-  
23 ited tariff benefit, or targeted tax benefits  
24 which are canceled pursuant to enactment of a  
25 bill as provided under this section shall be dedi-

1 cated only to reducing the deficit or increasing  
2 the surplus.

3 (B) ADJUSTMENT OF LEVELS IN THE CON-  
4 CURRENT RESOLUTION ON THE BUDGET.—Not  
5 later than 5 days after the date of enactment  
6 of an approval bill as provided under this sec-  
7 tion, the chairs of the Committees on the Budg-  
8 et of the Senate and the House of Representa-  
9 tives shall revise allocations and aggregates and  
10 other appropriate levels under the appropriate  
11 concurrent resolution on the budget to reflect  
12 the cancellation, and the applicable committees  
13 shall report revised suballocations pursuant to  
14 section 302(b), as appropriate.

15 (C) TRUST FUNDS AND SPECIAL FUNDS.—  
16 Notwithstanding subparagraph (A), nothing in  
17 this title shall be construed to require or allow  
18 the deposit of amounts derived from a trust  
19 fund or special fund which are canceled pursu-  
20 ant to enactment of a bill as provided under  
21 this section to any other fund.

22 **SEC. 602. PROCEDURES IN THE UNITED STATES CONGRESS.**

23 (a) EXPEDITED CONSIDERATION.—

24 (1) IN GENERAL.—The majority leader or mi-  
25 nority leader of each House or his designee shall (by

1 request) introduce an approval bill as defined in sec-  
2 tion 1017 not later than the third day of session of  
3 that House after the date of receipt of a special mes-  
4 sage transmitted to the Congress under section  
5 1011(b). If the bill is not introduced as provided in  
6 the preceding sentence in either House, then, on the  
7 fourth day of session of that House after the date  
8 of receipt of the special message, any Member of  
9 that House may introduce the bill.

10 (2) CONSIDERATION IN THE HOUSE OF REP-  
11 RESENTATIVES.—

12 (A) REFERRAL AND REPORTING.—Any  
13 committee of the House of Representatives to  
14 which an approval bill is referred shall report it  
15 to the House without amendment not later than  
16 the seventh legislative day after the date of its  
17 introduction. If a committee fails to report the  
18 bill within that period or the House has adopt-  
19 ed a concurrent resolution providing for ad-  
20 journment sine die at the end of a Congress,  
21 such committee shall be automatically dis-  
22 charged from further consideration of the bill  
23 and it shall be placed on the appropriate cal-  
24 endar.

1 (B) PROCEEDING TO CONSIDERATION.—

2 After an approval bill is reported by or dis-  
3 charged from committee or the House has  
4 adopted a concurrent resolution providing for  
5 adjournment sine die at the end of a Congress,  
6 it shall be in order to move to proceed to con-  
7 sider the approval bill in the House. Such a mo-  
8 tion shall be in order only at a time designated  
9 by the Speaker in the legislative schedule within  
10 two legislative days after the day on which the  
11 proponent announces his intention to offer the  
12 motion. Such a motion shall not be in order  
13 after the House has disposed of a motion to  
14 proceed with respect to that special message.  
15 The previous question shall be considered as or-  
16 dered on the motion to its adoption without in-  
17 tervening motion. A motion to reconsider the  
18 vote by which the motion is disposed of shall  
19 not be in order.

20 (C) CONSIDERATION.—The approval bill  
21 shall be considered as read. All points of order  
22 against an approval bill and against its consid-  
23 eration are waived. The previous question shall  
24 be considered as ordered on an approval bill to  
25 its passage without intervening motion except

1 five hours of debate equally divided and con-  
2 trolled by the proponent and an opponent and  
3 one motion to limit debate on the bill. A motion  
4 to reconsider the vote on passage of the bill  
5 shall not be in order.

6 (D) SENATE BILL.—An approval bill re-  
7 ceived from the Senate shall not be referred to  
8 committee.

9 (3) CONSIDERATION IN THE SENATE.—

10 (A) MOTION TO PROCEED TO CONSIDER-  
11 ATION.—A motion to proceed to the consider-  
12 ation of a bill under this subsection in the Sen-  
13 ate shall not be debatable. It shall not be in  
14 order to move to reconsider the vote by which  
15 the motion to proceed is agreed to or disagreed  
16 to.

17 (B) LIMITS ON DEBATE.—Debate in the  
18 Senate on a bill under this subsection, and all  
19 debatable motions and appeals in connection  
20 therewith (including debate pursuant to sub-  
21 paragraph (D)), shall not exceed 10 hours,  
22 equally divided and controlled in the usual  
23 form.

24 (C) APPEALS.—Debate in the Senate on  
25 any debatable motion or appeal in connection

1 with a bill under this subsection shall be limited  
2 to not more than 1 hour, to be equally divided  
3 and controlled in the usual form.

4 (D) MOTION TO LIMIT DEBATE.—A motion  
5 in the Senate to further limit debate on a bill  
6 under this subsection is not debatable.

7 (E) MOTION TO RECOMMIT.—A motion to  
8 recommit a bill under this subsection is not in  
9 order.

10 (F) CONSIDERATION OF THE HOUSE  
11 BILL.—

12 (i) IN GENERAL.—If the Senate has  
13 received the House companion bill to the  
14 bill introduced in the Senate prior to the  
15 vote required under paragraph (1)(C), then  
16 the Senate may consider, and the vote  
17 under paragraph (1)(C) may occur on, the  
18 House companion bill.

19 (ii) PROCEDURES AFTER VOTE ON  
20 SENATE BILL.—If the Senate votes, pursu-  
21 ant to paragraph (1)(C), on the bill intro-  
22 duced in the Senate, then immediately fol-  
23 lowing that vote, or upon receipt of the  
24 House companion bill, the House bill shall  
25 be deemed to be considered, read the third



1           time, and the vote on passage of the Sen-  
2           ate bill shall be considered to be the vote  
3           on the bill received from the House.

4       (b) AMENDMENTS PROHIBITED.—No amendment to,  
5       or motion to strike a provision from, a bill considered  
6       under this section shall be in order in either the Senate  
7       or the House of Representatives.

8       **SEC. 603. IDENTIFICATION OF TARGETED TAX BENEFITS.**

9       (a) STATEMENT.—The chairman of the Committee  
10      on Ways and Means of the House of Representatives and  
11      the chairman of the Committee on Finance of the Senate  
12      acting jointly (hereafter in this subsection referred to as  
13      “the chairmen” shall review any revenue or reconciliation  
14      bill or joint resolution which includes any amendment to  
15      the Internal Revenue Code of 1986 that is being prepared  
16      for filing by a committee of conference of the two Houses,  
17      and shall identify whether such bill or joint resolution con-  
18      tains any targeted tax benefits. The chairmen shall pro-  
19      vide to the committee of conference a statement identi-  
20      fying any such targeted tax benefits or declaring that the  
21      bill or joint resolution does not contain any targeted tax  
22      benefits. Any such statement shall be made available to  
23      any Member of Congress by the chairmen immediately  
24      upon request.

25      (b) STATEMENT INCLUDED IN LEGISLATION.—

1           (1) IN GENERAL.—Notwithstanding any other  
2 rule of the House of Representatives or any rule or  
3 precedent of the Senate, any revenue or reconcili-  
4 ation bill or joint resolution which includes any  
5 amendment to the Internal Revenue Code of 1986  
6 reported by a committee of conference of the two  
7 Houses may include, as a separate section of such  
8 bill or joint resolution, the information contained in  
9 the statement of the chairmen, but only in the man-  
10 ner set forth in paragraph (2).

11           (2) APPLICABILITY.—The separate section per-  
12 mitted under subparagraph (A) shall read as follows:  
13 Section 1021 of the Congressional Budget and Im-  
14 poundment Control Act of 1974 shall  
15 “ \_\_\_\_\_ ” apply to  
16 “ \_\_\_\_\_ ” with the blank spaces  
17 being filled in with—

18           (A) in any case in which the chairmen  
19 identify targeted tax benefits in the statement  
20 required under subsection (a), the word “only”  
21 in the first blank space and a list of all of the  
22 specific provisions of the bill or joint resolution  
23 in the second blank space; or

24           (B) in any case in which the chairmen de-  
25 clare that there are no targeted tax benefits in

1 the statement required under subsection (a),  
2 the word “not” in the first blank space and the  
3 phrase “any provision of this Act” in the sec-  
4 ond blank space.

5 (c) IDENTIFICATION IN REVENUE ESTIMATE.—With  
6 respect to any revenue or reconciliation bill or joint resolu-  
7 tion with respect to which the chairmen provide a state-  
8 ment under subsection (a), the Joint Committee on Tax-  
9 ation shall—

10 (1) in the case of a statement described in sub-  
11 section (b)(2)(A), list the targeted tax benefits in  
12 any revenue estimate prepared by the Joint Com-  
13 mittee on Taxation for any conference report which  
14 accompanies such bill or joint resolution, or

15 (2) in the case of a statement described in sec-  
16 tion 13(b)(2)(B), indicate in such revenue estimate  
17 that no provision in such bill or joint resolution has  
18 been identified as a targeted tax benefit.

19 (d) PRESIDENT’S AUTHORITY.—If any revenue or  
20 reconciliation bill or joint resolution is signed into law

21 (1) with a separate section described in sub-  
22 section (b)(2), then the President may use the au-  
23 thority granted in this section only with respect to  
24 any targeted tax benefit in that law, if any, identi-  
25 fied in such separate section; or

1           (2) without a separate section described in sub-  
2           section (b)(2), then the President may use the au-  
3           thority granted in this section with respect to any  
4           targeted tax benefit in that law.

5   **SEC. 604. ADDITIONAL MATTERS.**

6           (a) DEFINITIONS.—

7           (1) APPROPRIATION LAW.—The term “appro-  
8           piation law” means an Act referred to in section  
9           105 of title I, United States Code, including any  
10          general or special appropriation Act, or any Act  
11          making supplemental, deficiency, or continuing ap-  
12          propriations, that has been signed into law pursuant  
13          to Article I, section 7, of the Constitution of the  
14          United States.

15          (2) APPROVAL BILL.—The term “approval bill”  
16          means a bill or joint resolution which only approves  
17          proposed cancellations of dollar amounts of discre-  
18          tionary budget authority, items of new direct spend-  
19          ing, limited tariff benefits, or targeted tax benefits  
20          in a special message transmitted by the President  
21          under this part and

22                 (A) the title of which is as follows: “A bill  
23                 approving the proposed cancellations trans-  
24                 mitted by the President on  
25                 \_\_\_\_\_,” the blank space being

1 filled in with the date of transmission of the rel-  
2 evant special message and the public law num-  
3 ber to which the message relates;

4 (B) which does not have a preamble; and

5 (C) which provides only the following after  
6 the enacting clause: "That the Congress ap-  
7 proves of proposed cancellations:  
8 \_\_\_\_\_," the blank space being  
9 filled in with a list of the cancellations con-  
10 tained in the President's special message, "as  
11 transmitted by the President in a special mes-  
12 sage on \_\_\_\_\_," the blank space  
13 being filled in with the appropriate date, "re-  
14 garding \_\_\_\_\_." the blank space  
15 being filled in with the Public Law number to  
16 which the special message relates;

17 (D) which only includes proposed cancella-  
18 tions that are estimated by CBO to meet the  
19 definition of discretionary budgetary authority  
20 or items of direct spending, or limited tariff  
21 benefits, or that are identified as targeted tax  
22 benefits pursuant to section 1014;

23 (E) if any proposed cancellation other than  
24 discretionary budget authority or targeted tax  
25 benefits is estimated by CBO to not meet the

1 definition of item of direct spending, then the  
2 approval bill shall include at the end: "The  
3 President shall cease the suspension of the im-  
4 plementation of the following under section  
5 1013 of the Legislative Line Item Veto Act of  
6 2006: \_\_\_\_\_," the blank space  
7 being filled in with the list of such proposed  
8 cancellations; and

9 (F) if no CBO estimate is available, then  
10 the entire list of legislative provisions proposed  
11 by the President is inserted in the second blank  
12 space in subparagraph (C).

13 (3) CALENDAR DAY.—The term "calendar day"  
14 means a standard 24-hour period beginning at mid-  
15 night.

16 (4) CANCEL OR CANCELLATION.—The terms  
17 "cancel" or "cancellation" means to prevent

18 (A) budget authority from having legal  
19 force or effect;

20 (B) in the case of entitlement authority, to  
21 prevent the specific legal obligation of the  
22 United States from having legal force or effect;

23 (C) in the case of the food stamp program,  
24 to prevent the specific provision of law that pro-

1           vides such benefit from having legal force or ef-  
2           fect;

3           (D) a limited tariff benefit from having  
4           legal force or effect, and to make any necessary,  
5           conforming statutory change to ensure that  
6           such limited tariff benefit is not implemented;  
7           or

8           (E) a targeted tax benefit from having  
9           legal force or effect, and to make any necessary,  
10          conforming statutory change to ensure that  
11          such targeted tax benefit is not implemented  
12          and that any budgetary resources are appro-  
13          priately canceled.

14          (5) CBO.—The term “CBO” means the Direc-  
15          tor of the Congressional Budget Office.

16          (6) DIRECT SPENDING.—The term “direct  
17          spending” means—

18                (A) budget authority provided by law  
19                (other than an appropriation law);

20                (B) entitlement authority; and

21                (C) the food stamp program.

22          (7) DOLLAR AMOUNT OF DISCRETIONARY  
23          BUDGET AUTHORITY.—

24                (A) Except as provided in subparagraph

25                (B), the term “dollar amount of discretionary

1        budget authority” means the dollar amount of  
2        budget authority—

3                (i) specified in an appropriation law,  
4                or the dollar amount of budget authority  
5                or obligation limitation required to be allo-  
6                cated by a specific proviso in an appropria-  
7                tion law for which a specific dollar figure  
8                was not included;

9                (ii) represented separately in any  
10               table, chart, or explanatory text included  
11               in the statement of managers or the gov-  
12               erning committee report accompanying  
13               such law;

14               (iii) required to be allocated for a spe-  
15               cific program, project, or activity in a law  
16               (other than an appropriation law) that  
17               mandates the expenditure of budget au-  
18               thority from accounts, programs, projects,  
19               or activities for which budget authority is  
20               provided in an appropriation law;

21               (iv) represented by the product of the  
22               estimated procurement cost and the total  
23               quantity of items specified in an appropria-  
24               tion law or included in the statement of



1 managers or the governing committee re-  
2 port accompanying such law; or

3 (v) represented by the product of the  
4 estimated procurement cost and the total  
5 quantity of items required to be provided  
6 in a law (other than an appropriation law)  
7 that mandates the expenditure of budget  
8 authority from accounts, programs,  
9 projects, or activities for which budget au-  
10 thority is provided in an appropriation law.

11 (B) The term "dollar amount of discre-  
12 tionary budget authority" does not include—

13 (i) direct spending;

14 (ii) budget authority in an appropria-  
15 tion law which funds direct spending pro-  
16 vided for in other law;

17 (iii) any existing budget authority  
18 canceled in an appropriation law; or

19 (iv) any restriction, condition, or limi-  
20 tation in an appropriation law or the ac-  
21 companying statement of managers or  
22 committee reports on the expenditure of  
23 budget authority for an account, program,  
24 project, or activity, or on activities involv-  
25 ing such expenditure.

1           (8) ITEM OF DIRECT SPENDING.—The term  
2           “item of direct spending” means any provision of  
3           law that results in an increase in budget authority  
4           or outlays for direct spending relative to the most  
5           recent levels calculated consistent with the method-  
6           ology used to calculate a baseline under section 257  
7           of the Balanced Budget and Emergency Deficit Con-  
8           trol Act of 1985 and included with a budget submis-  
9           sion under section 1105(a) of title 31, United States  
10          Code, in the first year or the 5-year period for which  
11          the item is effective. Such item does not include an  
12          extension or reauthorization of existing direct spend-  
13          ing, but only refers to provisions of law that increase  
14          such direct spending.

15          (9) LIMITED TARIFF BENEFIT.—The term  
16          “limited tariff benefit” means any provision of law  
17          that modifies the Harmonized Tariff Schedule of the  
18          United States in a manner that benefits 10 or fewer  
19          entities (as defined in paragraph (12)(B)).

20          (10) OMB.—The term “OMB” means the Di-  
21          rector of the Office of Management and Budget.

22          (11) OMNIBUS RECONCILIATION OR APPROPRIA-  
23          TION MEASURE.—The term “omnibus reconciliation”  
24          or “appropriation measure” means—

1 (A) in the case of a reconciliation bill, any  
2 such bill that is reported to its House by the  
3 Committee on the Budget; or

4 (B) in the case of an appropriation meas-  
5 ure, any such measure that provides appropria-  
6 tions for programs, projects, or activities falling  
7 within 2 or more section 302(b) suballocations.

8 (12) TARGETED TAX BENEFIT.—

9 (A) The “term targeted tax benefit” means  
10 any revenue-losing provision that provides a  
11 Federal tax deduction, credit, exclusion, or pref-  
12 erence to ten or fewer beneficiaries (determined  
13 with respect to either present law or any provi-  
14 sion of which the provision is a part) under the  
15 Internal Revenue Code of 1986 in any year for  
16 which the provision is in effect;

17 (B) For purposes of subparagraph (A)—

18 (i) all businesses and associations that  
19 are members of the same controlled group  
20 of corporations (as defined in section  
21 1563(a) of the Internal Revenue Code of  
22 1986) shall be treated as a single bene-  
23 ficiary;

24 (ii) all shareholders, partners, mem-  
25 bers, or beneficiaries of a corporation,

1 partnership, association, or trust or estate,  
2 respectively, shall be treated as a single  
3 beneficiary;

4 (iii) all employees of an employer shall  
5 be treated as a single beneficiary;

6 (iv) all qualified plans of an employer  
7 shall be treated as a single beneficiary;

8 (v) all beneficiaries of a qualified plan  
9 shall be treated as a single beneficiary;

10 (vi) all contributors to a charitable or-  
11 ganization shall be treated as a single ben-  
12 eficiary;

13 (vii) all holders of the same bond  
14 issue shall be treated as a single bene-  
15 ficiary; and

16 (viii) if a corporation, partnership, as-  
17 sociation, trust or estate is the beneficiary  
18 of a provision, the shareholders of the cor-  
19 poration, the partners of the partnership,  
20 the members of the association, or the  
21 beneficiaries of the trust or estate shall not  
22 also be treated as beneficiaries of such pro-  
23 vision;

24 (C) For the purpose of this paragraph, the  
25 term "revenue-losing provision" means any pro-

1 vision that is estimated to result in a reduction  
2 in federal tax revenues (determined with respect  
3 to either present law or any provision of which  
4 the provision is a part) for a period of the—

5 (i) first fiscal year for which the pro-  
6 vision is effective; or

7 (ii) five fiscal years beginning with the  
8 first fiscal year for which the provision is  
9 effective;

10 (D) the “term targeted tax benefit” does  
11 not include any provision which applies uni-  
12 formly to an entire industry; and

13 (E) the terms used in this paragraph shall  
14 have the same meaning as those terms have  
15 generally in the Internal Revenue Code of 1986,  
16 unless otherwise expressly provided.

17 **SEC. 605. ABUSE OF PROPOSED CANCELLATIONS.**

18 The President, or any executive branch official,  
19 should not condition the inclusion or exclusion or threaten  
20 to condition the inclusion or exclusion of any proposed  
21 cancellation in any special message under this title upon  
22 any vote cast or to be cast by any Member of either House  
23 of Congress.

# 1       **TITLE VII—PAY-AS-YOU-GO**

## 2       **SEC. 701. STRENGTHENING PAY-AS-YOU-GO.**

3       (a) **LIMITATION.**—In the House, in determining the  
4 effect of a bill, joint resolution, amendment or conference  
5 report on the deficit or surplus for purposes of clause 10  
6 of rule XXI of the Rules of the House of Representatives,  
7 the Committee on the Budget shall disregard provisions  
8 that are impermissible offsets.

9       (b) **DEFINITION OF IMPERMISSIBLE OFFSETS.**—A  
10 provision is an “impermissible offset” if the Committee  
11 on the Budget determines that it—

12               (1) is the same or substantially the same as a  
13 change in law reducing the deficit included in a bill,  
14 joint resolution, or conference report previously  
15 passed by the House but not enacted;

16               (2) causes a decrease in outlays within the first  
17 time period set forth in clause 10 of such rule XXI,  
18 but causes no change in outlays over the second time  
19 period included in the clause; or

20               (3) causes an increase in revenue within the  
21 first time period set forth in clause 10 of such rule  
22 XXI, but causes no change in revenues over the sec-  
23 ond time period included in the clause.

24       (c) **TREATMENT OF DIRECT SPENDING PROVI-**  
25 **SIONS.**—In the House:

1           (1) For purposes of enforcing clause 10 of rule  
2     XXI of the Rules of the House of Representatives,  
3     a provision included in a bill, joint resolution, or  
4     conference report increasing direct spending in any  
5     year may be deemed by the chairman of the Com-  
6     mittee on the Budget to be structured such that it  
7     artificially disguises an increase in entitlement  
8     spending by use of expiration dates or reductions in  
9     entitlement or beneficiary levels.

10          (2) The chairman of the Committee on the  
11     Budget shall cause a clear statement for any bill,  
12     joint resolution or conference report as to whether a  
13     provision increasing mandatory budget authority or  
14     outlays has or has not been structured as described  
15     in paragraph (1), to be inserted in the Congressional  
16     Record if requested by the Speaker, the Majority  
17     Leader, the Minority Leader or the Ranking Mem-  
18     ber of the Committee on the Budget.

19          (d) STRENGTHEN PAY-AS-YOU-GO.—It shall not be  
20     in order to consider any bill, joint resolution, or conference  
21     report that increases the deficit in the budget year or the  
22     five-fiscal year period following the second period of fiscal  
23     years set forth in clause 10 of rule XXI of the Rules of  
24     the House of the House Representatives. The effect of

1 such measure on the deficit or surplus shall be determined  
2 on the same basis as set forth in such clause.

## 3 **TITLE VIII—GENERAL** 4 **PROVISIONS**

### 5 **SEC. 801. APPLICATION AND EFFECT OF CHANGES IN ALLO-** 6 **CATIONS AND AGGREGATES.**

7 (a) APPLICATION.—Any adjustments of allocations  
8 and aggregates made pursuant to this resolution shall—

9 (1) apply while that measure is under consider-  
10 ation;

11 (2) take effect upon the enactment of that  
12 measure; and

13 (3) be published in the Congressional Record as  
14 soon as practicable.

15 (b) EFFECT OF CHANGED ALLOCATIONS AND AG-  
16 GREGATES.—Revised allocations and aggregates resulting  
17 from these adjustments shall be considered for the pur-  
18 poses of the Congressional Budget Act of 1974 as alloca-  
19 tions and aggregates contained in this resolution.

20 (c) BUDGET COMMITTEE DETERMINATIONS.—For  
21 purposes of this resolution—

22 (1) the levels of new budget authority, outlays,  
23 direct spending, new entitlement authority, revenues,  
24 deficits, and surpluses for a fiscal year or period of  
25 fiscal years shall be determined on the basis of esti-



1       mates made by the appropriate Committee on the  
2       Budget; and

3           (2) such chairman may make any other nec-  
4       essary adjustments to such levels to reflect the tim-  
5       ing of responses to reconciliation directives pursuant  
6       to section 201 of this resolution.

7       **SEC. 802. ADJUSTMENTS TO REFLECT CHANGES IN CON-**  
8                                   **CEPTS AND DEFINITIONS.**

9       Upon the enactment of a bill or joint resolution pro-  
10      viding for a change in concepts or definitions, the appro-  
11      priate chairman of the Committee on the Budget shall  
12      make adjustments to the levels and allocations in this res-  
13      olution in accordance with section 251(b) of the Balanced  
14      Budget and Emergency Deficit Control Act of 1985 (as  
15      in effect prior to September 30, 2002).

16      **SEC. 803. COMPLIANCE WITH SECTION 13301 OF THE BUDG-**  
17                                   **ET ENFORCEMENT ACT OF 1990.**

18      (a) IN GENERAL.—In the House and the Senate, not-  
19      withstanding section 302(a)(1) of the Congressional  
20      Budget Act of 1974 and section 13301 of the Budget En-  
21      forcement Act of 1990, the joint explanatory statement  
22      accompanying the conference report on any concurrent  
23      resolution on the budget shall include in its allocation  
24      under section 302(a) of the Congressional Budget Act of  
25      1974 to the Committee on Appropriations amounts for the

1 discretionary administrative expenses of the Social Secu-  
2 rity Administration.

3 (b) SPECIAL RULE.—In the House, for purposes of  
4 applying section 302(f) of the Congressional Budget Act  
5 of 1974, estimates of the level of total new budget author-  
6 ity and total outlays provided by a measure shall include  
7 any discretionary amounts provided for the Social Security  
8 Administration.

9 **SEC. 804. EXERCISE OF RULEMAKING POWERS.**

10 Congress adopts the provisions of this title—

11 (1) as an exercise of the rulemaking power of  
12 the Senate and the House, respectively, and as such  
13 they shall be considered as part of the rules of each  
14 House, or of that House to which they specifically  
15 apply, and such rules shall supersede other rules  
16 only to the extent that they are inconsistent there-  
17 with; and

18 (2) with full recognition of the constitutional  
19 right of either House to change those rules (so far  
20 as they relate to that House) at any time, in the  
21 same manner, and to the same extent as in the case  
22 of any other rule of that House.